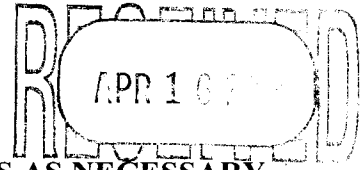


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ARIZONA CORPORATION  
COMMISSION



**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

Director of Utilities



W-01825A  
Lagoon Estates Water Company Inc  
5001 East Washington Street, Ste. 104  
Phoenix AZ 85034

**ANNUAL REPORT**

*Entered  
5/1/03  
C. M.*

**FOR YEAR ENDING**

12	31	2002
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FOR COMMISSION USE

ANN 04 02

## COMPANY INFORMATION

**Company Name (Business Name)** Lagoon Estates Water Co

**Mailing Address** 5001 E Washington #104  
Phoenix AZ 85034  
(City) (State) (Zip)

602 275 5402 602 275 8442  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** Sherrill Farms1@msn.com

**Local Office Mailing Address** Same  
(Street)  
(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Stanley Miller Controller  
(Name) (Title)

5001 E Washington #104 Phoenix AZ 85034  
(Street) (City) (State) (Zip)

602 275 5402  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**On Site Manager:** Charles B Sherrill Jr  
(Name)

1/2 mile west Hwy 95 Mohave Valley AZ 86440  
(Street) (City) (State) (Zip)

928 330 3100 928 330 3102  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** Charles B. Sherrill  
(Name)

5001 E Washington #104 Phoenix AZ 85034  
(Street) (City) (State) (Zip)

602 275 5402  
Telephone No. (Include Area Code)

**Attorney:** Gerald Sherrill  
(Name)

5001 E Washington #104 Phoenix AZ 85034  
(Street) (City) (State) (Zip)

602 275 5402  
Telephone No. (Include Area Code)

Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	28262	Ø	28262
304	Structures and Improvements	35264	20305	14959
307	Wells and Springs	76079	33174	42905
311	Pumping Equipment	62111	44816	17295
320	Water Treatment Equipment	15467	4413	11054
330	Distribution Reservoirs and Standpipes	47124	44411	2713
331	Transmission and Distribution Mains	171389	127628	43761
333	Services			
334	Meters and Meter Installations	33399	20226	13173
335	Hydrants	448	448	Ø
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	8724	6305	2419
341	Transportation Equipment	7429	960	6469
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	485695	302686	183010

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	28262	Ø	
304	Structures and Improvements	35264	3.23	1139
307	Wells and Springs	76079	3.23	2457
311	Pumping Equipment	62111	3.23	2006
320	Water Treatment Equipment	15467	3.23	500
330	Distribution Reservoirs and Standpipes	47124	3.23	1522
331	Transmission and Distribution Mains	171389	3.23	5536
333	Services			
334	Meters and Meter Installations	33399	3.23	1079
335	Hydrants	448	Ø	
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	8724	3.23	282
341	Transportation Equipment	7429	3.23	240
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	1185696		14761

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

COMPANY NAME

## BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 3517	\$ 5140
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 3517	\$ 5140
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 485696	\$ 485695
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	287925	302686
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 197771	\$ 183009
	<b>TOTAL ASSETS</b>	\$ 201288	\$ 188149

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 261	\$ 520
232	Notes Payable (Current Portion)	21 346	3551
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	18 908	19024
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 40515	\$ 23095
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 28000	\$ 28000
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 68515	\$ 51095
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 75214	\$ 75214
211	Paid in Capital in Excess of Par Value	101471	101471
215	Retained Earnings	4 433907	(39631)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 201288	\$ 188149

COMPANY NAME

## COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 98737	\$ 97847
460	Unmetered Water Revenue	2432	1190
474	Other Water Revenues		8827
	<b>TOTAL REVENUES</b>	<b>\$ 101169</b>	<b>\$ 107864</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 30000	\$ 32815
610	Purchased Water		
615	Purchased Power	5110	6516
618	Chemicals	2604	2360
620	Repairs and Maintenance	4094	7730
621	Office Supplies and Expense	3899	3660
630	Outside Services	1430	1800
635	Water Testing	4854	1888
641	Rents		
650	Transportation Expenses	4682	3091
657	Insurance – General Liability	2717	1184
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	6447	11892
403	Depreciation Expense	14775	14761
408	Taxes Other Than Income	2641	2848
408.11	Property Taxes	7119	8508
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 90372</b>	<b>\$ 99053</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$</b>	<b>\$</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	3961	4153
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$ 3961</b>	<b>\$ 4153</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 6836</b>	<b>\$ 4658</b>



COMPANY NAME

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/31/94	12/5/95		
Source of Loan	Sherill Farms	Charles Sherill		
ACC Decision No.				
Reason for Loan	Improvements	Improvements		
Dollar Amount Issued	\$ 107,240	\$ 28,000	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity	n/a	n/a		
Interest Rate	8.00	8.00		
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

COMPANY NAME

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
SS-536722	40 turbine	1500	270'	16"	8"	
SS-618835	7.5	3.5	175'	12"	4"	
SS-618836	7.5	300	180'	8"	3"	
SS-618837	5	300	210'	8"	3"	

- \* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		15	5

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		5000	4

COMPANY NAME

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	165000
5		
6	PVC	10160
8	ACP 342	PVC 1827
10	PVC (C900)	1833
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	310
3/4	
1	3
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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COMPANY NAME:

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	256	1454910	1782300
FEBRUARY	255	2147916	2159500
MARCH	259	1770469	1890200
APRIL	263	2410325	2705800
MAY	257	2505010	2775800
JUNE	266	2107199	2338000
JULY	260	3016090	3324900
AUGUST	259	3053060	5209000
SEPTEMBER	257	2135472	2160000
OCTOBER	259	1965124	1983600
NOVEMBER	261	1797467	1778500
DECEMBER	258	1536874	1556000
TOTAL		N/A	27325600

2587426

Is the Water Utility located in an ADWR Active Management Area (AMA)?

(☒) Yes

( ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

(☒) Yes

( ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

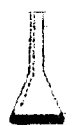
What is the level of arsenic for each well on your system. \_\_\_\_\_ mg/l

(If more than one well, please list each separately)

see Attached

**Note:** If you are filing for more than one system, please provide separate data sheets for each system.

Unit 2 - 08-046 Poe #1  
Unit 4 - 08-021 Poe #1  
Unit 4 - 08-021 Poe #2

**MOHAVE  
ENVIRONMENTAL  
LABORATORY**

1050 Highway 95 • Bullhead City, AZ 86429

Phone: (520) 754-8101 • Toll Free: 888-777-4635 • Fax: (520) 754-8103

Customer Name: Lagoon Estates Water Co.  
Lab ID: 3051  
Sample Type: Drinking Water  
Sampled By: K. B.

Date Received: 01/17/01 13:45

Date Reported: 02/14/01

**Analytical Results**

Parameter	Method	Result	Units	Detect Limit	Date	Analyst
-----------	--------	--------	-------	--------------	------	---------

3051-01

Sample Date: 01/17/01 13:00

Unit 2 POE #1

08-046

METALS, TOTAL

Arsenic, Total

SM3113B

0.012 mg/l

0.005

2/13/01

CM

Received in lab @ 17 degrees C.

V. David Arthur, M.T.  
Lab Director

**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
DRINKING WATER INORGANIC CHEMICAL ANALYSIS REPORT**

\*\*\*SAMPLES TO BE TAKEN AT P.O.E ONLY\*\*\*

>>>>PUBLIC WATER SYSTEM INFORMATION<<<<

>>>> TO BE FILLED OUT BY SYSTEM PERSONNEL <<<<

08-021 ]

System ID

Lagoon Estates Water Company

System Name

[ 09/20/00 ]

Sample date

[ 10:03 ] (24 hr clock)

Sample time

Carie

Owner/Contact Person Name

Owner/Contact Fax Number

520-768-9646

Owner/Contact Person Phone Number

**SAMPLE TYPE**

☒ Compliance Monitoring

**FOR MCL EXCEEDANCE OR COMPOSITE TRIGGER**

[ ]

Original Violating Specimen Number

**SAMPLE TYPE**

☐ CONFIRMATION

☐ CONFIRMATION FOR COMPOSITE TRIGGER

**SAMPLE COLLECTION POINT/ID**

☒ Point of Entry# [ 002 ]

SAMPLING SITE ID

**\*\*\*INORGANIC CHEMICAL ANALYSIS\*\*\***

>>> TO BE FILLED OUT BY THE LABORATORY PERSONNEL <<<

Analysis Method	MCL Value	Trigger Value	Contaminant Name	Cont Code	Test Start Date/Time	Analysis Run Date/Time	Results*	Exceeds MCL	Exceeds Trigger
200.8	0.05		Arsenic	1005		09/26/00	0.0039		
200.8	2		Barium	1010		09/26/00	0.033		
200.8	0.005		Cadmium	1015		09/26/00	<0.0005		
200.8	0.1		Chromium	1020		09/26/00	<0.010		
SM4500F-C	4.0		Fluoride	1025		09/27/00	0.37		
245.2	0.002		Mercury	1035		10/03/00	<0.0002		
300.0	10	5	Nitrate (as N)	1040					
SM4500NO2B	1	0.5	Nitrite (as N)	1041					
200.8	0.05		Selenium	1045		09/26/00	<0.0030		
200.8	0.006		Antimony	1074		09/26/00	<0.0030		
200.8	0.004		Beryllium	1075		09/26/00	<0.0005		
335.4	0.2		Cyanide (as free cyanide)	1024		10/03/00	<0.005		
200.8	0.1		Nickel	1036					
200.8	0.002		Thallium	1085		09/26/00	<0.0010		
300	NO MCL		Sulfate	1055					
200.7	NO MCL		Sodium	1052					

>>>>LABORATORY INFORMATION<<<<

To be filled out by laboratory personnel

**SPECIMEN NUMBER**

[ 092500-251 ]

ID Number [ AZ 0/0/0/9 ] Name: [ AQUA TECH ENVIRONMENTAL LABORATORIES, INC.

Comments: [ Analyzed by Aqua Tech Environmental Laboratories of Marion, Ohio.

Authorized Signature: [ *R. P. [Signature]*

Date Public Water System Notified: [ ]

\*All units must be reported in milligrams per liter (mg/l)

**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
DRINKING WATER INORGANIC CHEMICAL ANALYSIS REPORT**

\*\*\*SAMPLES TO BE TAKEN AT P.O.E ONLY\*\*\*

>>>>PUBLIC WATER SYSTEM INFORMATION<<<<  
>>>> TO BE FILLED OUT BY SYSTEM PERSONNEL <<<<

[ 08-021 ]  
System ID

Lagoon Estates Water Company  
System Name

[ 09/20/00 ] [ 9:55 ] (24 hr clock)  
Sample date Sample time

Carie  
Owner/Contact Person Name

Owner/Contact Fax Number

520-768-9646  
Owner/Contact Person Phone Number

**SAMPLE TYPE**

☒ Compliance Monitoring

**FOR MCL EXCEEDANCE OR COMPOSITE TRIGGER**

[ ]

Original Violating Specimen Number

**SAMPLE COLLECTION POINT/ID**

☒ Point of Entry# [ 001 ]

**SAMPLE TYPE**

☐ CONFIRMATION

☐ CONFIRMATION FOR COMPOSITE TRIGGER

SAMPLING SITE ID

**\*\*\*INORGANIC CHEMICAL ANALYSIS\*\*\***

>>> TO BE FILLED OUT BY THE LABORATORY PERSONNEL <<<

Analysis Method	MCL Value	Trigger Value	Contaminant Name	Cont. Code	Test Start Date/Time	Analysis Run Date/Time	Results*	Exceeds MCL	Exceeds Trigger
200.8	0.05		Arsenic	1005		09/26/00	0.0038		
200.8	2		Barium	1010		09/26/00	0.057		
200.8	0.005		Cadmium	1015		09/26/00	<0.0005		
200.8	0.1		Chromium	1020		09/26/00	<0.010		
SM4500F-C	4.0		Fluoride	1025		09/27/00	0.46		
245.2	0.002		Mercury	1035		10/03/00	<0.0002		
300.0	10	5	Nitrate (as N)	1040					
SM4500NO3B	1	0.5	Nitrite (as N)	1041					
200.8	0.05		Selenium	1045		09/26/00	<0.0030		
200.8	0.006		Antimony	1074		09/26/00	<0.0030		
200.8	0.004		Beryllium	1075		09/26/00	<0.0005		
335.4	0.2		Cyanide (as free cyanide)	1024		10/03/00	<0.005		
200.8	0.1		Nickel	1036					
200.8	0.002		Thallium	1085		09/26/00	<0.0010		
300	NO MCL		Sulfate	1055					
200.7	NO MCL		Sodium	1052					

>>>>LABORATORY INFORMATION<<<<

To be filled out by laboratory personnel

**SPECIMEN NUMBER**

[ 092500-241 ]

ID Number [ AZ 0/0/0/9 ] Name: [ AQUA TECH ENVIRONMENTAL LABORATORIES, INC.

Comments: [ Analyzed by Aqua Tech Environmental Laboratories of Marion, Ohio.

Authorized Signature: [ *R. H. Hester* ]

Date Public Water System Notified: [ ]

\*All units must be reported in milligrams per liter (mg/l)

COMPANY NAME \_\_\_\_\_ YEAR ENDING 12/31/2002

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 8507-93

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



COMPANY NAME \_\_\_\_\_

YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

Estimated or Actual Federal Tax Liability

779

State Taxable Income Reported

Estimated or Actual State Tax Liability

779

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

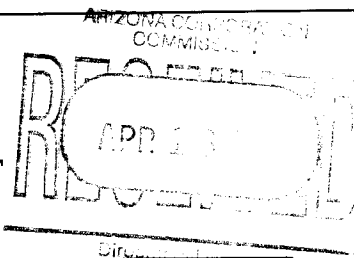
SIGNATURE

DATE

PRINTED NAME

TITLE

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only



**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave
NAME (OWNER OR OFFICIAL) TITLE	Charles B. Sherrill
COMPANY NAME	Lagoon Estates (Ariz) Co

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 97847

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ \_\_\_\_\_  
IN SALES TAXES BILLED, OR COLLECTED

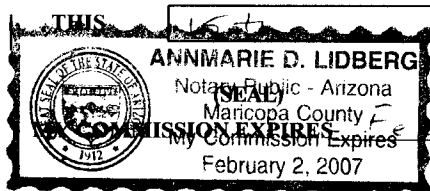
**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*Charles B. Sherrill*  
SIGNATURE OF OWNER OR OFFICIAL  
602-275-5401  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

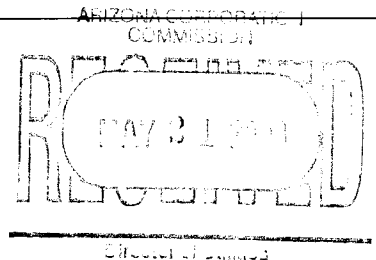
COUNTY NAME	Maricopa
MONTH	April
YEAR	2003



DAY OF

*Annmarie D. Lidberg*  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**



**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	Mohave	
NAME (OWNER OR OFFICIAL)	Charles B Sherrill	TITLE
COMPANY NAME	Lagoon Estates Water Co	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 97847

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

19

DAY OF MAY

NOTARY PUBLIC NAME	GERALD D. SHERRILL	
COUNTY NAME	MARICOPA	
MONTH	MAY	2003

(SEAL)

MY COMMISSION EXPIRES

X   
SIGNATURE OF NOTARY PUBLIC

